



DEPARTMENT OF BUSINESS STUDIES

COURSE: ECOMMERCE

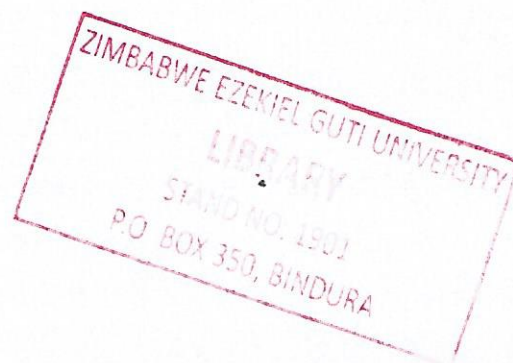
COURSE CODE: CMA403

DURATION: 3HOURS 30 MINUTES

DATE 22 JUNE 2017

INSTRUCTIONS TO CANDIDATES

1. No cell phones are allowed in the examination venue.
2. Answer ALL questions in section A and any other three (3) questions from section B.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets []



SECTION A (answer all questions in this section)

Oxfam (mini case study)

For more than 60 years, Oxfam has worked through and with its donors, staff, project partners, and project participants to overcome poverty and injustice around the world. Early in World War II, Greece was occupied by German Nazis. Allied forces created a naval blockade around Greece to prevent further German expansion; however, the blockade created severe shortages of food and medicine among Greek civilian communities.

In 1942, a number of Famine Relief Committees were established in Great Britain to ship emergency supplies through the Allied blockade. Although most of these committees ceased operations after the war ended, the Oxford Committee for Famine Relief saw a continuing need and enlarged its operations to provide aid throughout post war Europe, and in later years, the rest of the world. The Committee eventually became known by its abbreviated telegraph address, Oxfam, and the name was formally adopted in 1965.

Oxfam's success and growth was due to many dedicated volunteers and donors who continued and expanded their financial support of the organization. In the 1960s, Oxfam began to generate significant revenues from its retail stores. These shops, located throughout Great Britain, accept donations of goods and handcrafted items from overseas for resale. Today, those stores number more than 800 and are staffed by more than 20,000 volunteers.

Oxfam often deals with humanitarian disasters that are beyond the scope of its resources. In these cases, the organization provides aid by mobilizing an international lobbying staff that has contacts with key aid agencies based in other countries, governments in the affected area, and the United Nations.

In 1996, Oxfam opened a Web site to provide information about its efforts to supporters and potential donors. The Web site included detailed reports on Oxfam's work, past and present, and allows site visitors to make donations to the organization. Although Oxfam gladly accepts any donations, it encourages supporters to commit to a continuing relationship by making regular donations. In exchange, it provides regular updates about its activities on the

Web site and through an e-mailed monthly newsletter. The Web site includes a sign-up page for the e-mail newsletter, which goes out to more than 200,000 supporters.

Oxfam has been involved in relief work in Sudan since the 1970s, when it provided help to Ugandan refugees in the southern part of the country. More recently, Oxfam was an early responder to the 2004 crisis in that country. Oxfam set up sanitary facilities and provided clean drinking water in camps set up for thousands of displaced people fleeing pro-government Arab militias. The need in Sudan rapidly exceeded Oxfam's capacity and it decided to use e-mail to mobilize support for the project. Oxfam planned an e-mail campaign that would send three e-mails in HTML format to supporters on its existing e-mail list over a six-week period. The first e-mail included a photo of children in one of the camps. The text of the e-mail message described Oxfam's efforts to provide clean water to the displaced people living in the Sudanese camps. The e-mail included links in two places that took recipients to a Web page that had been created specifically to receive visitors responding to that e-mail message.

The Web page allowed visitors to make a donation and asked them to provide their e-mail addresses, which would be used to send updates on the Sudan project. A second e-mail was sent two weeks later to addresses on the list that had not yet responded. This second e-mail included a video file that played automatically when the e-mail was opened. The video conveyed the message that Oxfam had delivered \$300,000 in aid to the camps but that more help was urgently needed in the region.

This second e-mail included three links that led to the Web page created for the first e-mail. Two weeks later, a final e-mail was sent to addresses on the list that had not responded to either of the first two e-mails. This third e-mail included an audio recording in which Oxfam's executive director made a plea for the cause. The e-mail also included text that provided examples of which aid items could be provided for specific donation amounts.

Oxfam's three-part e-mail campaign was considered a success by direct marketing standards. The first e-mail was opened by 32 percent of recipients and had a click-through rate of 8 percent. The second e-mail had similar, but somewhat higher, results (33 percent opened, 10 percent clicked-through). Ninety percent of those who opened the e-mail watched the video.

The third e-mail continued the slightly increasing trends for opening and attention (34 percent opened, and 94 percent listened to the audio), but the click-through rate was much higher than the previous two e-mails (14 percent). Also, the dollar amount of donations increased with each subsequent e-mailing.

The e-mail campaign raised more than \$450,000 in its six-week period. Oxfam coordinated this e-mail effort with other awareness activities it was conducting in the same time period. The organization sent letters to supporters who had not provided e-mail addresses and ran ads in two newspapers (*The Independent* and *The Guardian*) that carried messages similar to those in the e-mails.

Question 1

- a. Oxfam chose not to use online banner ads for this campaign. Explain the advantages and disadvantages that Oxfam would have experienced by using banner ads to achieve the objectives of this campaign. [10 marks]
- b. Discuss any 3 other internet marketing techniques which Oxfam can use in its campaigns. [15 marks]

[Total 25 marks]

SECTION B

Question 2

- a. Outline any five (5) ways in which e-business can affect organisational performance. [10 marks]
- b. With the aid of examples, briefly outline any five (5) benefits of using intranets in Ecommerce [10 marks]
- c. Outline the components of an Ecommerce value chain system for a hospital. [5 marks]

[Total 25 marks]

Question 3

- a. Outline any three (3) pros for online shopping. [3 marks]
- b. Critique the use of Pop up advertising in ecommerce? [10 marks]

c. Giving relevant examples, briefly discuss the four (4) key components of a website.

[12 marks]

[Total 25 marks]

Question 4

a. Using relevant examples outline any five (5) services which are offered by the Internet Service Providers industry (ISP). [15 marks]

b. Giving examples, explain the term shopping cart?

[10marks]

[Total 25 marks]

Question 5

Ecommerce is the end of mass marketing. Discuss

[Total 25 marks]

